UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF TEXAS Wichita Falls Division

NEWCO ENTERPRISES, LLC) No.:
Plaintiff/Counter-Defendant)
v.)
SUPER HEATERS NORTH DAKOTA, LLC	NOTICE OF REMOVAL
Defendant/Counter-Claimant)
SUPER HEATERS, LLC, and HEAT ON-THE FLY, LLC))
Third-Party Plaintiffs v.)))
RONALD CHANDLER,)
Third-Party Defendant)
)

Defendant/Counter-Claimant Super Heaters North Dakota, LLC ("SHND") and Third-Party Plaintiffs Super Heaters, LLC ("SH") and Heat On-The-Fly LLC ("Heat On-The-Fly"), by and through their undersigned attorneys, hereby removes to the United States District Court for the Northern District of Texas the civil action currently filed and pending in the District Court for the 30th Judicial District, Wichita County, Texas and styled *Newco Enterprises, LLC v. Super Heaters North Dakota, LLC*, Cause No. 180,958-A.

As grounds for removal, Defendant/Counter-Claimant and Third-Party Plaintiffs state as follows:

- 1. On or about June 27, 2014, SHND was served with a Citation for Personal Service ("Citation") and Plaintiff's First Amended Original Petition & Request for Disclosure ("Original Petition") in the District Court for the 30th Judicial District, Wichita County, Texas.
- 2. The Original Petition asserted claims for breach of an Exclusive Purchase and Use Rights and/or License Agreement by SHND ("Exclusive Rights Agreement"). Among other things, the Exclusive Rights Agreement provided SHND with Exclusive Rights to certain contractually defined Technology for Oil-Fired Frac Water Heaters purportedly embodied in U.S. Provisional Patent Application #61078734. This provisional patent application eventually gave rise to additional applications and U.S. Patent No. 8,534,235 (the "235 Patent").
- 3. On or about July 18, 2014, SHND filed and served its Original Answer. SHND generally denied all liability and asserted that the action would be removable following the filing and service of an impending counterclaim.
- 4. Additionally, on or about July 18, 2014, Defendant/Counter-Claimant and Third-Party Plaintiffs filed and served their Original Counterclaim and Third-Party Petition. The Original Counterclaim and Third-Party Petition asserted claims for Breach of the Exclusive Rights Agreement entered into between SHND, Newco, and Chandler, and a related Limited Purchase and Use Rights and/or License Agreement entered into

between SH, Newco, and Chandler arising from Newco's and Chandler's sales of Oil-Fired Frac Water Heaters embodying the Technology to competitors of SH and SHND.

5. The Original Counterclaim and Third-Party Petition also asserted claims arising under the patent laws of the United States. Specifically, Defendant/Counterclaimant and Third-Party Plaintiffs asserted claims for correction of ownership of the 235 Patent under 35 U.S.C. §256, and for infringement of the 235 Patent and U.S. Patent No. 8,171,993 under 35 U.S.C. §271 arising from Newco's and Chandler's manufacturing and sales of certain Oil-Fired Frac Water Heaters to competitors of SH and SHND.

Removal Under 28 U.S.C. §1454

- 6. 28 U.S.C. §1454 states:
- (a) In General.— A civil action in which any party asserts a claim for relief arising under any Act of Congress relating to patents, plant variety protection, or copyrights may be removed to the district court of the United States for the district and division embracing the place where the action is pending.
- **(b) Special Rules.** The removal of an action under this section shall be made in accordance with section 1446, except that if the removal is based solely on this section—
 - (1)the action may be removed by any party; and
 - (2)the time limitations contained in section 1446(b) may be extended at any time for cause shown.
- 7. Because the Original Counterclaim and Third-Party Petition filed by Defendant/Counter-Claimant and Third-Party Plaintiffs assert claims under "any Act of

Congress relating to patents"— specifically 35 U.S.C. §§ 256 and 271, this action has become removable by any party.

Other Procedural Requirements

- 8. This Notice of Removal is timely under 28 U.S.C. §1446(b)(1) because it was filed within thirty days after SHND received service of the Citation and Original Petition.
- 9. Venue is proper in this Court for removal purposes under 28 U.S.C. §1446(a), as this Court is "the district court of the United States for the district and division" where the action is pending.
- 10. Concurrent with the filing of this Notice of Removal, written Notice of Removal is being given to Newco and Chandler and a copy of a Notice of Filing Notice of Removal is being filed with the District Court for the 30th Judicial District, Wichita County, Texas as required by 28 U.S.C. §1446(d). A true and correct copy of the Notice of Filing Notice of Removal is attached hereto as Exhibit A.
- 11. Attached hereto as <u>Exhibit B</u> is a copy of the Certificate of Interested Parties as required by LR 81.1(a)(4)(D).
- 12. Attached hereto as <u>Exhibit C</u> is a copy of the docket sheet in the state court action as required by LR 81.1(a)(4)(B).
- 13. Attached hereto as <u>Exhibit D</u> is an index of all documents filed in state court as required by LR 81.1(a)(4)(A) and the corresponding documents as required by LR 81.1(a)(4)(C).

14. By this Notice of Removal, Defendant/Counter-Claimant and Third-Party

Plaintiffs do not waive any objections they may have to this action, intend no admissions

of fact, law or liability as to Plaintiffs' allegations, whether set forth in the Original

Petition or otherwise, and expressly reserve all defenses, motions, and pleas.

WHEREFORE, Defendant/Counter-Claimant and Third-Party Plaintiffs hereby

give notice that the case Newco Enterprises, LLC v. Super Heaters North Dakota, LLC,

Cause No. 180,958-A is removed from the 30th Judicial District, Wichita County, Texas

to the United States District Court, Northern District of Texas in accordance with 28

U.S.C. §§1446 and 1454, and that all further proceedings shall be held before this Court.

Dated: July 25, 2014

WINTHROP & WEINSTINE, P.A.

By: s/Justin H. Jenkins

Justin H. Jenkins

Texas Bar No. 24051866

225 South Sixth Street, Suite 3500

Minneapolis, Minnesota 55402

Tel:

(612) 604-6400

Fax:

(612) 604-6800

Attorneys for Defendant/Counter-Claimant

and Third-Party Plaintiffs

9314087v1

5